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TRANSFORMATION OF THE CONCEPT OF ENTERPRISE COMPETITIVENESS IN THE CONTEXT OF MODERN CHALLENGES

The paper examines the transformation of approaches to understanding the nature, specifics and determinants of competitiveness of business entities under modern challenges. The increase in the number of market participants and the volume of transactions, globalization and integration processes in the economic environment, and the ongoing crisis in the global economy are making it increasingly difficult to build sustainable competitive advantages and ensure a sufficient level of competitiveness of enterprises. The author analyzes the theoretical approaches to understanding the nature of enterprise competitiveness represented in relevant research publications, as well as the basic principles of assessing and managing enterprise competitiveness.

The conventional and innovative factors that contribute to the development of competitiveness of a business entity and provide a deeper understanding of the essential characteristics of enterprise competitiveness are identified. The principles of effective management of enterprise competitiveness and approaches to the development of effective strategies for achieving and maintaining competitive advantages of a market actor under current challenges are investigated.

An improved definition of enterprise competitiveness as a complex characteristic, which determines the comparative advantage of an economic entity over other market actors and reflects its ability to withstand competition, has been proposed. The components of enterprise competitiveness are analyzed, including: sales volumes, profitability, the market share of the enterprise in the relevant products, capital equipment, labor productivity and staff qualifications, innovations, and the volume of investments. The paper shows that the issue of competitiveness becomes particularly relevant when all market actors are in equal conditions, have equal access to financial resources, equal opportunities for product sales, and operate in the same tax environment. The ability of Ukrainian enterprises to demonstrate strong competitive advantage in international markets with effective government support, even under existing security challenges, is substantiated.

Keywords: *competition, competitiveness, enterprise, market advantages, challenges.*

Statement of the problem. Competitiveness is one of the basic concepts and key attributes of a modern market economy, which results in a constant interest of researchers and business actors in its study. On the one hand, the level of competitiveness of a business entity determines its more or less successful functioning, and on the other hand, it is a latent attribute [1] which is difficult to assess as it depends on many internal and external factors, which are often difficult to predict. Therefore, it is important to clarify the definition of competitiveness, to carry out an in-depth analysis and evaluation of quantitative and qualitative factors that determine the level of competitiveness under current challenges, as well as to develop new effective strategies for its management.

Modern challenges, such as shorter product life cycles, rapid development of Internet technologies, globalization and integration processes in the economic environment, and the ongoing crisis in the global economy are making it increasingly difficult to build sustainable competitive advantages and ensure a sufficient level of competitiveness of both individual business entities and the economy as a whole. Identifying and analyzing new factors that determine the level of competitiveness, reassessing the role of classical factors, provide a better understanding of the nature of competitiveness, and thereby contribute to the resolution of issues of its management and the development of effective strategies for business entities to achieve and maintain competitive advantages in the market of relevant products.

Analysis of recent publications. Both Ukrainian and foreign researchers contributed to the development of theoretical foundations and practical aspects of competition. The analysis of their publications demonstrates that business entities that understand the importance of competitiveness and effectively use competitive advantages gain significant strengths in the market rivalry and, as a result, achieve stable economic growth and strategic goals.

Among Ukrainian scientists, theoretical and practical aspects of enterprise competitiveness are studied in the works of O. Yankovyi [1], N. Dobrianska, and M. Vargatyuk [1], and the nature and components of the concept of industry competitiveness is studied by A. Ostapenko [2]. The theoretical and methodological foundations of enterprise competitiveness management are considered in the works of V. A. Pavlova, R. V. Gubarev [3], V. M. Shapoval, O. M. Gribienko, T. V. Gerasymenko [4], L. M. Berezina, O. V. Varaksina, A. S. Oliynyk, A. G. Rak [5], O. M. Zbirnyk [6], S. V. Poznyak, S. S. Danylchenko [7]. However, little attention has been paid to an in-depth analysis of the nature and characteristics of the process of transformation of the nature and factors of competitiveness.

Unresolved parts of the problem. Recognizing the research findings of Ukrainian and foreign scientists in this area, it should be noted that changes in the global market environment, growing instability and other challenges that continue to emerge and affect the economic system provide conditions for further research on the enterprise competitiveness, as well as the latest factors that determine the competitive advantages of an enterprise in the market.

The article aims to provide a comprehensive theoretical analysis of the transformation of the concept of enterprise competitiveness under current challenges, to identify conventional and emerging factors that influence the development of competitive advantages of Ukrainian enterprises. The objectives of the study are consistent with this aim and are focused on: exploring the scope of theoretical approaches to understanding the nature and attributes of competitiveness, the main factors that influence competitiveness in the modern economy; studying the risks and main challenges to the competitiveness of modern enterprises.

Research methods. The article applies both general scientific and special economic methods of research, including: the application of deduction and logical analysis methods to identify the current challenges that business entities are facing in the process of developing competitive advantages; generalization of the main approaches to the analysis of the nature of competitiveness using the methods of dialectic, scientific abstraction and synthesis.

Results of the study. The term "competitiveness" based on two concepts: competition, which comes from the Latin concurrentia - competition, rivalry, and "capacity", which means the ability to do something. A business entity is competitive if it successfully operates in a competitive environment and effectively rivals other market actors.

In particular, the competitiveness of an enterprise is the ability to successfully compete against other market players for the attention and loyalty of the potential customers. The concept of competitiveness is used both in relation to the enterprise and the products it produces. Recent studies also examine such concepts as the competitiveness of an industry, cluster, region, country, and employee competitiveness.

Competitiveness is a latent attribute because it cannot be measured directly. However, it can be assessed using various qualitative and quantitative measures. One of the approaches to assessing competitiveness may be the formation of an integral indicator - a competitiveness rating, which is based on the sum of the numerical values of certain parameters (possibly with weighting coefficients).

The selection of the rating components and their resulting values can be determined by expert assessments or by building a model in which a numerical value of a quantitative measure or a rating of a qualitative indicator will correspond to a certain number of points. A greater influence of a particular indicator on the competitiveness rating will be determined by a higher weighting factor.

Under any approach to assessing competitiveness, the latter will be somewhat subjective, since the choice of rating components, weighting coefficients and their numerical values will depend on the level of qualification and number of experts involved in the assessment process. The components used to assess an enterprise's competitiveness include: sales volumes, profitability, market share of the enterprise in the relevant product market, capital equipment, labour productivity and staff qualifications, innovative activity, investment volumes, and research and development spending. These components are mostly not independent, which complicates the process of assessing competitiveness. Modern approaches to assessing competitiveness allow for more objective results and involve the use of statistical analysis methods, such as regression, correlation, factor, cluster, etc.

A high level of competitiveness means the ability of an enterprise to withstand competition in the future, and therefore implies the ability to constantly adapt to the rapidly changing market conditions. It is necessary to effectively forecast changes in the market environment in order to respond to them in a timely manner. New competitors may appear on the market, and new substitute products may emerge that meet the same customer needs. Some raw material suppliers disappear and new ones emerge. Legislation, tax policy, interest rates and exchange rates change. Quite often, changes have a global nature, which leads, among other things, to a significant expansion of market boundaries, which in turn requires market players to have a deep understanding of economic processes and make significant efforts to maintain their competitiveness.

One of the main challenges in recent years for commodity market players has been the rapid growth of the Internet technologies and negative effect of COVID-19 on the activities of manufacturers, sellers of goods and services, as well as those who maintain the processes of commodity turnover. At Rozetka marketplace, the number of stores increased from 270 at the end of 2021 to 402 at the end of 2023, despite Russia's full-scale invasion [8] .

The rapid growth of online commerce and the expansion of market boundaries, on the one hand, has enabled the entry of many new players in the market, and on the other hand, has placed increased demands on the quality of goods and services offered, which has led to

increased requirements for the competitiveness of those who want to remain in globalized, highly competitive market.

Despite the high level of globalisation of the modern commodity market, the regional nature of trade remains in force. In many cases, globalisation makes it possible to choose and buy a particular product from manufacturers in different countries. However, buyers in countries with high living standards will prefer higher quality and more expensive goods, while buyers in countries with lower effective demand will prefer cheaper products. For example, construction tools from China are in much greater demand in Ukraine than those from well-known European brands. A company that is uncompetitive in one market can compete quite successfully in another. This suggests that the definition of competitiveness should include the ability to compete successfully in a particular market.

Developing new approaches to assessing competitiveness, some researchers propose to consider competitiveness from different perspectives depending on the subjects of its assessment [9, 10]. According to Tarnavska N. P. [9], the competitiveness of an enterprise is considered from the perspective of consumers of products, competitors, investors, the state, as well as employees, managers and owners of the enterprise itself. For each of these groups, priority aspects and criteria for assessing competitiveness are identified. In particular, the competitors' priority is the ability to create current and strategic competitive advantages, the employees' priority is the competitiveness of remuneration and benefits that make a given job attractive, and the managers' and owners' priority is the company's indicators such as solvency, liquidity, return on capital, etc.

Despite the fact that certain groups of stakeholders are interested in analyzing certain aspects of competitiveness, we cannot assert that the analysis of these aspects can be used to develop assessment criteria and obtain a reliable assessment of competitiveness, since the latter will not take into account many factors that have a significant impact on the level of competitiveness. However, the analysis of numerous internal and external factors that determine the ability of an enterprise to meet customer needs, successfully compete with other market actors, attract investors, generate profits for shareholders, and become an acceptable place of work for current or potential employees makes it possible to draw conclusions about the level of competitiveness of a particular enterprise.

The definition of enterprise competitiveness is formulated in the studies of different researchers. At the same time, in their works, authors often cite dozens of definitions of other researchers and group definitions of competitiveness depending on the position from which a particular author considers this concept or on the basis of which theories of competition it is formulated. For example, L.M. Yaremchenko in her monograph [1] provides a wide range of definitions of competitiveness, grouping them into the comparative, resource, combined comparative and resource, and systemic approaches.

The key feature of the comparative approach to defining competitiveness is that the level of enterprise competitiveness is determined by comparing it with other entities that meet the same consumer needs in the same market. An enterprise is competitive if it is able to withstand competition, resist competitors; sell goods that are more attractive to consumers than those of competitors; and is able to achieve competitive advantages over other enterprises in a particular market. The competitiveness of an enterprise determines its comparative advantage over other competitors, shows how productive and efficient it is relative to other market actors.

In the definition of competitiveness provided by I.O. Piddubnyi and A.I. Piddubna [11], they point out that enterprise competitiveness is the potential or realized ability of business entity to function in the relevant external market environment, based on its advantages over other businesses. In other words, competitiveness is the ability of an enterprise to sell competitive products and withstand competition both in the present and in the future. At the same time, the competition itself takes place in the relevant external environment, i.e., on equal terms, when all market participants have equal access to the credit market, equal opportunities to sell products, operate in the same tax environment, etc

Tsybulska E.I. considers enterprise competitiveness as the ability of business entity to operate effectively and sustainably in the relevant external market environment [12]. However, she identifies the capacity of an enterprise as its potential, and considers the actual ability to function effectively in the market as its real competitiveness, which we completely accept. A competitive enterprise, even if it has an initially certain potential, without the ability to predict the future and adapt to it, will eventually lose its competitiveness.

The resource-based approach focuses on the internal resources of the enterprise that provide it with competitive advantages and a good market position. This approach does not differ much from the combination of the resource approach and the comparative approach, since it refers to internal factors that not only ensure the production of quality products and efficient operation of the enterprise, but also those that should provide an advantage over competitors. In this context, the competitiveness of an enterprise is defined as the ability to make a profit in the short term not lower than a given level, or exceeding the average profit [1]. At the same time, the competitiveness of an enterprise should also indicate its ability to withstand competition, and the profit received must indicate the successful sale of products and the development of the enterpris competitiveness.

The factors that enable an enterprise to achieve an advantage over its competitors not only in the present but also in the future include:

- products that have better consumer qualities and a better price-quality ratio than competing solutions;
- high performance in the use of current and non-current assets and human capital during the production process;
- profit margins and sales volumes that are sufficient not only for the current activities of the enterprise but also for its further development;
- active investment, research and development, and marketing activities;
- efficient management of intellectual property for manufacturing of innovative products:
- qualified personnel, high level of management in general and financial management in particular;
- using the most recent scientific achievements not only in the production process, but also in the development of financial plans and forecasts.

The systematic approach to the definition of enterprise competitiveness is based on the analysis of the internal environment of the enterprise and the relationship of the enterprise with the external environment.

Therefore, regardless of the particular approaches used by researchers, the main point in assessing competitiveness is that it should be determined in relation to other market participants

and can only be assessed by comparing certain indicators of the enterprise with the same indicators of competitors. However, competitiveness can be assessed only when there are other market actors and is determined by the productivity of the use of available resources [13]. It should be noted that competitiveness is determined not only by the productivity of resource use, but also by many other factors that are studied in the works of various researchers. At the same time, the choice of specific external and internal factors, their interconnection and the nature of their impact on the enterprise competitiveness remain controversial. The need to use a set of indicators for assessing competitiveness is also pointed out by M. Sayenko [14]. According to his definition, the competitiveness of an enterprise is its comprehensive comparative characteristic, which reflects the degree of advantages over competitors in terms of the set of estimated indicators of the enterprise's activity in certain markets, for a certain period of time. In this regard, it is worth noting that the analysis of the performance indicators of an enterprise in certain markets makes it possible to assess the level of competitiveness and competitive position of an enterprise in different markets by comparing the activities of this enterprise with the activities of other enterprises operating in these markets. The analysis of indicators for a certain period of time allows assessing changes in the level of competitiveness that have occurred during this time period. However, we believe that such a comparison of indicators in different markets over a certain period of time in determining the competitiveness of an enterprise is excessive, since it provides detailed and often unnecessary information about the level of competitiveness of an enterprise in different markets and changes in competitiveness over a certain period of time.

Significant changes in the market environment caused by the rapid development of Industry 4.0 technologies led to a considerable increase in the number of market actors and a corresponding intensification of competition between them, as well as to the internationalization of trade in every segment of the commodity market. As a result, some researchers incorporate the global nature of modern trade into the definition of competitiveness [15]. These researchers define the enterprise competitiveness as its economic strength in comparison with other enterprises in the global market, where products, services, people and innovations move freely across geographical borders.

Nevertheless, we consider it appropriate to investigate the competitiveness of an enterprise within a particular market. This is due to the fact that consumers of a particular region or country have certain preferences regarding such product characteristics as price-quality ratio, reliability in use, etc. due to the standard of living and other factors.

Considering the approaches to the definition of competitiveness that we have analyzed, as well as recent changes in the market environment, we can define the enterprise competitiveness as a complex characteristic that determines the comparative advantage of the enterprise relative to other business entities and represents its ability to withstand competition. In our opinion, the following key aspects of competitiveness analysis, assessment and management are important:

1. Competitiveness is usually determined in a particular market relative to other business entities operating in that market. Furthermore, the enterprise that seems to be competitive in one market may not be able to effectively withstand competitors in another market.
2. Competitiveness represent the ability of an enterprise to withstand competition and sell competitive products in the present, while the ability to withstand such competition

and effectively withstand competitors in the future determines the potential of an enterprise.

3. The competitiveness of an enterprise can be reliably assessed only when market actors are on the same footing, have equal access to the debt financing, equal opportunities to sell their products, operate in the same tax environment, etc.
4. The management of competitiveness is aimed at increasing its level through the various tools available to the enterprise: increasing the efficiency of resource and human capital use, improving product quality and price-quality ratio, increasing sales profitability and sales volumes, increasing the profitability and decreasing payback period for investment in research and development, marketing research, etc. The improvement of the competitive position and increase in the enterprise competitiveness will be indicated by the growth of sales volumes and profits, increase in market share, growth of the enterprise investment attractiveness, etc.
5. External manifestations of enterprise competitiveness can be easily identified, however, it is usually difficult to give a correct quantitative assessment of the level of competitiveness, since there is no single and generally accepted set of indicators that determine it's level. Indeed, the views of researchers on this issue vary widely and even contradict each other.

Conclusions. The conducted research on the specific features of transformation of approaches to understanding the nature, characteristics and factors of competitiveness of enterprise under current challenges allowed to define the nature of enterprise competitiveness as a complex characteristic that determines the comparative advantage of the enterprise relative to other business entities and represents its ability to withstand competition facing market instability and other recent challenges. An analysis of recent changes in the market environment shows that competitiveness should be defined in a particular market relative to other market actors offering similar product solutions. Moreover, competitiveness represents the current ability of an enterprise to withstand competition and sell competitive products, while the capacity to withstand such competition and effectively resist competitors in the future only determines the potential of an enterprise. Most researchers agree today that a reliable assessment of the competitiveness of an enterprise can be made only when market participants are on an equal footing. The increase in the enterprise competitiveness is evidenced by the growth of sales volumes and profit margins, increase in market share, growth of investment attractiveness of the enterprise, etc. In the modern globalized market environment, which is beginning to include an increasing number of actors, the effective management of competitiveness is becoming the most urgent issue. The management of competitiveness is aimed at increasing its level through the various tools available to the enterprise: increasing the efficiency of resource and human capital use, improving product quality and price-quality ratio, increasing volumes of investments in research and development etc. Therefore, the research of advanced strategies and tools for managing the competitiveness of an enterprise is becoming a relevant topic for future studies.

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ТРАНСФОРМАЦІЯ КОНЦЕПЦІЇ КОНКУРЕНТОСПРОМОЖНОСТІ ПІДПРИЄМСТВА В УМОВАХ СУЧАСНИХ ВИКЛИКІВ

Стаття присвячена дослідженню трансформації підходів до розуміння сутності, специфіки та факторів конкурентоспроможності суб'єктів господарювання в умовах сучасних викликів. Збільшення кількості учасників ринку та частоти транзакцій, глобалізаційні та інтеграційні процеси, кризові явища в світовій економіці все більш ускладнюють формування стійких конкурентних переваг та забезпеченням достатнього рівня конкурентоспроможності підприємств. Автором проаналізовано теоретичні підходи до розуміння сутності конкурентоспроможності підприємства, представлені у сучасних наукових публікаціях, а також основні принципи оцінювання та управління конкурентоспроможністю підприємств.

Визначено класичні та сучасні фактори, які впливають на формування конкурентоспроможності суб'єкта господарювання та дають можливість більш глибоко зрозуміти сутнісні характеристики конкурентоспроможності підприємства. Досліджено засади ефективного управління

конкурентоспроможністю та напрями формування ефективних стратегій досягнення і утримання учасником ринку конкурентних переваг в умовах сучасних викликів.

Запропоновано удосконалене визначення конкурентоспроможності підприємства як комплексної характеристики, що визначає порівняльну перевагу суб'єкта господарювання відносно інших конкурентів та відображає його здатність витримувати конкурентну боротьбу. Проаналізовані складові елементи конкурентоспроможності підприємства: обсяги реалізації продукції, рівень прибутковості, частка підприємства на ринку відповідної продукції, капіталоозброєність, продуктивність праці та кваліфікація персоналу, інноваційна діяльність, обсяги капіталовкладень. З'ясовано, що питання конкурентоспроможності набуває особливої актуальності, коли усі учасники ринку знаходяться в рівних умовах, мають однаковий доступ до фінансових ресурсів, рівні можливості щодо реалізації продукції, функціонують в одному й тому ж податковому середовищі. Доведено, що навіть в умовах наявних безпекових викликів, українські підприємства здатні продемонструвати високу конкурентоспроможність на міжнародних ринках за наявності ефективної державної підтримки.

Ключові слова: *конкуренція, конкурентоспроможність, підприємство, ринкові переваги, виклики.*